

SCHULTZ-WAUTOMA TRANSMISSION LINE PROJECT UPDATE

NEW LINE PORTION DELAYED

June 2, 2003

Project Update:

Energization of the new Schultz-Wautoma 500-kilovolt transmission line has been delayed because of capital constraints. While construction on some elements of the project began in May 2003, major line construction is now scheduled to start fall 2004, be completed by winter 2005 and energized by spring 2006.

Construction started on some components, such as the Wautoma Substation, in May 2003. Construction of short components of the Sickler-Schultz line will start in June and of the Hanford-Ostrander line in September. Construction on the remaining portions of the line will start in May 2004 to help ensure the Schultz-Wautoma line is energized as early as possible.

Project Overview:

The Schultz-Wautoma Transmission Line will be 63 miles long and will add 600 megawatts of transfer capacity to the heart of BPA's grid in central Washington. The project was initiated to relieve congestion on the North of Hanford (NOH) path and along the I-5 corridor during spring and summer months when there are high north-to-south flows from Canada coupled with high Upper Columbia generation. Since the NOH and North of John Day (NJD) paths are in series, relieving congestion across the NOH path would allow the NJD path to be used more effectively. This, in turn, would facilitate greater use of the California-Oregon Intertie by reducing curtailments as well as integrating new generators in the northern part of the Northwest transmission system.

The line will connect BPA's Schultz Substation near Ellensburg to a new Wautoma Substation near the Department of Energy's Hanford Reservation. The new line will run up the middle of the Columbia River Basin, cross the Hanford Reach National Monument and the U.S. Army's Yakima Firing Range. An environmental impact study was completed on the project on Jan. 29, 2003 and the record of decision on March 17, 2003.